United States
Department of Agriculture
Foreign Agricultural Service
August 1983

Foreign Agriculture

**Getting a Larger Slice
Of the World's Value-Added Pie**

Marketing News

U.S. Wheat Associates Aims To Build Better Noodle

U.S. Wheat Associates, (USW) Manila, saw a chance to enlarge the Philippine noodle market and invited local leaders of the noodle industry to join them in evaluating ways to further stimulate Filipino preference for this traditional fare. A flour-milling representative accompanied the team to evaluate flours used in Osaka, Tokyo, Taipei and Hong Kong where noodles enjoy very high popularity.

Filipinos consume the equivalent of 5 million bushels of wheat annually in the form of noodles made from wheats with medium to strong gluten characteristics. With a larger variety of tastier noodles, the local consumption could expand by the equivalent of nearly 1 million bushels in the near future, according to USW predictions. The Philippines now imports 33 million bushels of wheat from the United States.

Shelling-Out for Goober Peas

The U.S. trade activity in the West German inshell peanut business has increased significantly in the past two years due, in part, to a U.S. inshell peanut promotion with two major importers. Although mainly a kernel market, West Germany also imports about 8,000 tons of inshell peanuts annually. In 1979, the United States exported 1,700 tons of inshells to Germany, accounting for about 17 percent of the market. By 1982, U.S. inshell exports had increased to 4,300 tons or 55 percent of the market. Promotional efforts in the past two years have been directed toward expanding consumption beyond the traditional holiday periods with the long-term goal of expanding total inshell imports.

Elsewhere in Europe, the **National Peanut Council** recently initiated a two-week market development survey trip to Italy and Spain to assess the market opportunities for U.S. peanuts and peanut products. The three-member team met with importers, peanut product manufacturers and processors and dealers to compile information that will assist in determining programs that might stimulate U.S. peanut exports to these two countries.

Getting the Yen for U.S. Beef

The Government of Japan recently decided on a special promotion quota of 150 metric tons of U.S. beef for use together with other U.S. farm products. This tonnage will be used at U.S. Embassy-sponsored instore promotions and international trade shows. The special quota is issued annually, and the level has fluctuated, but the trend is up. The Japanese require that about half of the quota be devoted to international trade fairs. Livestock Industries Promotion Corporation unofficially estimates about 1,000 tons of U.S. chilled beef (full carcass) were imported under its allocation to designated retailers in 1982. As long as the quality of U.S. chilled beef is maintained through proper packing, shipping and storage procedures, opportunities for further expansion of sales of this product appear excellent. The **U.S. Meat Export Federation** in Tokyo is developing a more detailed set of observations on these opportunities.

Malaysian Supermarkets Get A Taste of America

U.S. exporters are invited to participate in a Malaysian food promotion in August and September. The event, "A Taste of America," is sponsored by a leading Malaysian retailer in coordination with the U.S. Department of Agriculture and the Foreign Agricultural Service. The U.S. Agricultural Attache in Kuala Lumpur suggests that the following products have market potential: Popcorn—home preparations of popcorn are unknown in Malaysia; Mexican style American foods such as tacos, chips and dips; juices and prepared foods of all types. All transactions will be on a commercial basis between the U.S. companies and the Malaysian stores. For more information contact: K.S. Eow or F.S Chew, Emporium & Supermarket Holdings Telex BHD, 120-131 Sungei Wang Plaza (3rd floor), Jalan Bukit Bintang, Kuala Lumpur, Malaysia, Eshold MA 32334.

The Magazine for Business Firms Selling U.S. Farm Products Overseas

Published by
U.S. Department of Agriculture
Foreign Agricultural Service

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Food Exhibits: Good Beginning for Value-Added Exporters

By Lynn Krawczyk

If you produce value-added products and are interested in getting into exporting, one of the best ways to get in on a slice of the export pie is through a trade exhibit. It's a way to introduce your products to overseas buyers, without a lot of expense and travel.

Each of the four regional export organizations, assisted by the Foreign Agricultural Service (FAS), sponsors exhibits for international traders—sometimes at home but often abroad, too.

In 1983, FAS and the National Association of State Departments of Agriculture (NASDA) put on the first national exposition ever held in the United States.

Nearly 1,000 foreign buyers attended the National Food and Agriculture Exposition held May 17-19 in Atlanta. The success of the three-day exhibition has already prompted the scheduling of a second national show in April 1985 in Kansas City, Mo. The largest delegations were from Japan and West Germany, but overall some 68 nations were represented at the show, which was sponsored by NASDA and the Foreign Agricultural Service (FAS).

Whether you produce catfish, crawfish, artichokes or alfalfa, a trade exhibit can open doors for your products.

A Foot in the Door

Many of the 410 U.S. firms exhibiting were new to exporting and exposure at the show gave them their first chance to talk with overseas buyers, determine if a market for their product existed and find out how they may have to modify their product to get it onto foreign supermarket shelves. It also gave them a chance to look over the domestic competition, too.

Exporting—An Ongoing Process

"This whole process of attending trade shows is developmental," said Jerry Ravenell of Low Country International,

a Washington, D.C.-based export management company. "The more shows we attend, the more we learn about buyers and our competition. We have had some problems, just in being a relatively new firm. A lot goes into understanding the business and cultural practices of countries you're dealing with."

Ken Meier of the Oregon Department of Agriculture confirmed that feeling. Meier was demonstrating the merits of a variety of Oregon fruit and vegetable products—frozen berries, dried Oregon prunes, high-quality, long-storage onions and frozen french fries, just to name a few.

"For a small exporter," said Meier, "this is a great place to meet people who are keenly interested in buying. I am very impressed. We have some very serious people at this show, they are spending a lot of money to come here and they are the kind of people who can place orders."

Follow-Up Is the Key

Meier said that the key to such a show as the NASDA exhibit is follow-up. He said firms must be prepared to go to buyers' countries later. "It's a long-range process. We caution companies that if they're not interested in getting in and staying in the export field, don't bother to come. A lot of people think they'll get into exporting and get rich quick. That's not the way to do it. Instead, use it to broaden your marketing base."

"Generally, the United States is not considered a reliable supplier," said Meier. "We have to overcome this with an emphasis on high quality and service."

Meier had some other tips for exporters, such as having business cards in dual languages and getting to know the cultural practices of potential foreign buyers. "It doesn't do to give a buyer your card, a card he can't read, or refuse to eat the food of his country, when you expect him to buy and eat yours."

A Chance To Introduce New Items

A trade show, whether regional or international, is also a good vehicle for introducing a product—both to foreign buyers and domestic ones as well.

In Atlanta, one company doing just that was Artichokes Northwest Seed Corporation of Wapato, Wash. President Lyle Kilthau has been promoting

American artichokes for nine years, but they are just beginning to gain acceptance and familiarity on dinner tables east of the West Coast.

The American artichoke is a tuber being touted as the "wonder crop of the '80s." It can be eaten fresh, the tops can be fed to cattle, it can be made into a low-calorie, high-fructose flour that can be tolerated by diabetics, it can be pickled and is also good for producing ethyl alcohol for blending with gasoline.

Potential also exists for overseas sales of American artichoke seeds, which can be grown successfully by small farmholders in developing countries. "It's a total use item," said Kilthau, "nothing goes to waste."

Kilthau said only Sweden is taking American artichokes at this point, but he expected that to change by his firm's presence at the exhibit. "Buyers from Taiwan showed a definite interest in our product, as did some from Italy, Ireland and Mexico."

A Chance To Make Contacts

Ann Cary, president of The Sprout People, a Seattle-based firm specializing in sprouting seeds and containers for growing them, was typical of many of the exhibitors who took advantage of the NASDA exhibit to meet many buyers with a minimum of expense. Her firm is small, but sees exhibits such as the one in Atlanta as a good way to meet buyers from all over the world within a short time.

"We saw a great deal of interest from the Japanese," said Cary, "and we are also getting into the Australian, Scandinavian and West German markets. With the increased emphasis worldwide on health foods and nutrition, I think many people will turn to growing their own sprouts and we'll be in on that market."

Most exhibits are more than just an endless display of food. The NASDA show, for example, included several seminars for buyers and sellers that provided insight into exporting in general as well as an introduction to the qualities of some U.S. foods.

In a speech to U.S. food producers and processors exhibiting in Atlanta, Eric Joiner, president of AJC International, an Atlanta-based export trading company, said the secret to success in overseas markets was working within and around trade barriers imposed by importing countries. He advised strong financial commitments to market research and personal contact with potential buyers, along with impeccable compliance with foreign regulations concerning labeling, packaging, transportation and other specifications.

Research and Commitment

"Exporting can be that new profitable market for you if you will research it, commit to it and make it easy for the overseas buyer to do business with you," said Joiner.

Not all the firms at the NASDA exhibit were commercial. Several commodity export organizations were on hand to lend their expertise. The Poultry and Egg Institute of America gave an educational seminar explaining the U.S. poultry and egg industries, their high standards, grading and potential uses for their products.

Seminars and Tastings

Gerald Martens of the U.S. Meat Export Federation discussed how foreign buyers could benefit from importing high-quality U.S. meat. Other speakers on the program pointed out the advantages of portion control for meat products. Potential buyers were then invited to see and sample various cuts of U.S. beef and pork.

Later, foreign buyers attended a California wine and Wisconsin cheese tasting. Six California wineries poured the best of their cellars and answered questions from potential customers. Likewise, representatives of Wisconsin cheese manufacturers were on hand to provide information on a wide variety of the State's cheeses—from Merkt's natural cheese spread with wine, almond or jalapeno pepper—to the only U.S.-produced brie.

Some commodity-oriented organizations attend exhibits just to keep their products in the buyers' minds, even when the market is not necessarily ripe at the moment.

Robert Teitsma, spokesman for the National Red Cherry Institute of Grand Rapids, Mich. said in Atlanta, "On a price basis, European markets are not particularly interested in our high-priced cherries right now. That doesn't mean a market doesn't exist. Things could change."

Teitsma said, however, that he had talked with one Belgian company that buys only Michigan cherries for its bakery products. "We also talked to buyers from South Africa and England who are looking for other sources. In addition, we have given out a lot of useful information on U.S. cherries to Europeans."

Meeting the Competition

D. Lee Squyres of the California Pistachio Commission was busy giving away samples of California pistachios in Atlanta, trying to create interest in the U.S. nut that faces a lot of intense competition from Iranian pistachios. "The industry, which produced more than 40 million pounds last year, has a surplus of shelled nuts. I'm here because we need to find buyers for them."

Squyres' efforts were not wasted. He talked with French and Norwegian buyers who were interested in getting 2 tons a month. "This is what we really needed," he said happily.

But pistachio marketing is not without its headaches. "We would really like to get into the Japanese market and go beyond the small amounts we currently ship there," he said. "But there are problems when U.S. pistachios are charged a tariff of 16 percent, while those from Iran enter duty free."

Of course, the ultimate success of any trade show is not how many bags of pistachios are handed out nor how many wild blueberry pastries and muffins are eaten. It is in the numbers of sales orders written and contacts made.

NASDA executive director J.B. Grant summarized the Atlanta exhibit: "The atmosphere on the floor and reports from both buyers and sellers led us to believe the show will produce $100 million in additional U.S. agricultural exports.

"The success of the '83 show pretty well assures more exhibitors, and we hope buyers, who will gather in Kansas City, Mo. for the April 1985 show," said Grant.

Indeed, a Kansas City businessman has already signed on as the first exhibitor for the 1985 event. "My enthusiasm over the success of the first show of this scope led me to make my bid for booth No. 1 in 1985," said C.T. (Tad) Sanders. Sanders is involved in livestock marketing and will offer world trade services for exporters, particularly financing and transportation, at the 1985 exhibit.

If your firm is interested in joining Sanders in Kansas City, contact NASDA Headquarters, 1616 H Street, N.W., Room 710, Washington, D.C. 20006. ■

The author is with the Information Division, FAS. Tel. (202) 382-9442.

Marketing Tips for Value-Added Exporters

Black Star

By Kent Sisson and Bob Wicks

Want to sell frozen chickens to Bahrain? Better label them in Arabic. What's a good market for snack foods? Try Gabon in Africa. How can you best capture buyers' attention in the Seychelles? Try a "cowboy" advertising theme.

Overseas or at home, it's the little things you know about the market that can make a big difference in your sales levels.

The Foreign Agricultural Service has 110 agricultural counselors, attaches, and trade officers overseas whose job it is to help U.S. exporters learn the "essentials" that can lock up a business deal.

U.S. exporters, food processors, and trade groups are encouraged to establish close communications with these officials, who can also help arrange contacts with foreign importers and influential governments and trade representatives. (See Fact File for office addresses and phone numbers).

Special attention is being given by FAS representatives to the promotion of value-added products overseas. Here, briefly, is a summary of some tips from FAS' and other overseas embassy staff on areas of opportunity for value-added exporters, and ways to tap into these markets:

Algeria: Provide documentation in French and Arabic.

Austria: Good potential for red wine.

Burma: Establish contacts with State corporation end-users. Very specialized market with potential for cotton and cooking oil.

Belgium-Luxembourg: Participate in EC food shows. Try selling to international airlines. Respond to trade complaints in equitable and timely fashion.

Barbados: Price competitive but very small market. Many sales made through large grocery wholesalers in southern Florida.

Bahrain: Become aware of labeling requirements which are being revised to be consistent throughout the Persian Gulf. Requirements include Arabic listing of production and expiration dates and ingredients.

Colombia: Visit importers with samples. Products of opportunity include fish, poultry, canned and frozen foods.

Canada: Visit main population centers. Advertise in wholesale food media. Ideal market for new-to-market exporters.

Chile: Opportunities for a wide variety of value-added products. Name brands preferred.

Congo: Consider establishing relationship with French or African agent.

Cameroon: Establish agents.

East Germany: Work on hotel and institutional markets.

El Salvador: Make survey trips to determine potential. Participate in food trade exhibits.

Egypt: Price is very important.

France: Become familiar with additive and labeling regulations.

Fiji: Establish resident trade commissioners.

Gabon: All materials— promotional, descriptive, labels— should be in French. Products of opportunity: snack foods, canned goods, beer, juices.

Greece: Keep up with changes in import restrictions since Greece is a new member of EC. Good opportunities for licensing, franchising and investment.

Indonesia: Request from attache the publication, "Indonesian Market for U.S. Agricultural Exports."

Iceland: Importers prefer dealing directly with U.S. exporters. Introduce product lines personally. Products of opportunity are: snacks, dietetic and health foods, breakfast cereals, baby food, frozen and canned fruits and preserves, dehydrated foods, nuts, molasses, flavorings, syrups, extracts, vegetable oils, noodles, sugar, wines and other alcoholic beverages.

Ivory Coast: Label in French; comply with local container size requirements. Products of opportunity: meat, honey, powdered milk.

Japan: Become familiar with Japanese marketing and distribution systems. Develop personal relationships with Japanese buyers and maintain regular contacts.

Kuwait: Prices must be competitive.

Liberia: Keep in close communication with embassy. Most processed foods are imported from the United States.

Malaysia: Personal visits recommended. Best opportunities are for semiprocessed goods which can be repacked or processed further by local industry.

Mexico: Concentrate on border free-zone.

Mali: Products of opportunity: dried milk and dried poultry products.

Norway: Participate in promotional events. Opportunities for potato products, snack and health food products.

Peru: No restrictions on entry of processed foods, i.e. sizes, labeling requirements, additives, etc. Sixty percent ad valorem duty assessed on processed foods.

Pakistan: FAS solo show planned for FY 1984.

Philippines: Good potential for wine exports. Approval of Central Bank required before importers can acquire foreign exchange for purchase of value-added products.

Qatar: Make personal visits. Hire local agents. Consider tenders for food for police and military personnel. Become aware of sensitivity to pork.

Switzerland: Emphasize new or better products, new or better delivery schedules, better quality guarantees, more consistent and regular supplies, and personal visits. Be willing to do private label business. Opportunities for white wines and high-quality beef.

Spain: Focus attention on Canary Islands.

Seychelles: Work through South African exporters. Seychelles does not export directly from the United States. Advertise using "cowboy" theme.

Saudi Arabia: Become familiar with customs and tastes, including consideration to packaging and labeling. Increase personal contacts. Good potential due to affluent society. Spend time in the market. Become familiar with buyers and Saudi standards.

Singapore: Try to minimize shipping and related costs since this is a highly competitive market. Become familiar with poultry and meat import regulations. Opportunities for U.S. fruits and vegetables.

Tunisia: Increase contacts. Information, communications, etc. should be in French.

Uruguay: Participate in annual agricultural fair. Opportunities for small sales of processed poultry, ham, smoked bacon and pork sausages.

Upper Volta: Service market on a regional basis. Product literature and approaches to business should be in French.

West Germany: Become familiar with labeling and packaging requirements and local customs and tastes. Long-term commitments preferred. ■

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Fact File:

Contact Points for Value-Added Exporters

FAS' agricultural counselors, attaches, and trade officers are responsible for monitoring market conditions and opportunities abroad. Potential exporters of any agricultural product are encouraged to stay in close contact with these officials to keep abreast of trade developments. A list of mailing addresses and telex numbers follows:

Algeria (See Morocco)

Argentina, Buenos Aires
(also covers Paraguay and Uruguay)
American Embassy
APO Miami 34034
Telex: 18156 USICA

Australia, Canberra
American Embassy
APO San Francisco 96404
Telex: AA62I04

Austria, Vienna
(also covers Hungary and Czechoslovakia)
American Embassy
Dept. of State
Washington, D.C. 20520
Tel: 3I55II
Telex: 74634

Bahrain, Manama
American Embassy
FPO New York 09526
Telex: 9398 USATO BN

Bangladesh, Dhaka
American Embassy
Dept. of State
Washington, D.C. 20520

Belgium, Brussels
(also covers Luxembourg)
American Embassy
APO New York 09667
Telex: 846-2I336

Belize (See Guatemala)

Bolivia (See Peru)

Botswana (See South Africa)

Brazil, Brasilia
American Embassy
APO Miami 34030
Telex: 06I-I09I

Brazil, Rio de Janeiro
American Consulate General
RDJ, APO Miami 34030
Telex: 021-21466

Brazil, Sao Paulo
AmConGen
SP, APO Miami 34030
Telex: 011-22183

Brunei (See Malaysia)

Cameroon (See Nigeria)

Canada, Ottawa
American Embassy
P.O. Box 5000
Ogdensburg, N.Y. 13669
Telex: 0533582

Chile, Santiago
American Embassy
APO Miami 34033
Telex: 40062-ICA-CL

China, Beijing
American Embassy
Box 50
FPO San Francisco 96659

Colombia, Bogota
American Embassy
APO Miami 34038
Telex: 44843

Costa Rica, San Jose
(also covers Panama)
American Embassy
APO Miami 34020
Tel: 33-11-55

Czechoslovakia (See Austria)

Cyprus (See Israel)

Denmark, Copenhagen
(also covers Norway)
American Embassy
APO New York 09I70
Telex: 22216

Dominican Republic, Santo Domingo
(also covers Bahamas, French West Indies, Haiti, Jamaica)
American Embassy
APO Miami 3404I
Telex: 3460013

Ecuador, Quito
American Embassy
APO Miami 34039
Telex: 02-2329 USICA Q-ED

Egypt, Cairo
American Embassy
Box 22,
FPO New York 09527
Telex: 93773

El Salvador (See Guatemala)

Finland (See Sweden)

France, Paris
American Embassy
APO New York 09777
Telex: 65022I

German Democratic Republic, Berlin
American Embassy
USBER, Box E
APO New York 09742
Telex: II2479 USEMB DD

Germany, Federal Republic, Bonn
American Embassy
APO New York 09080
Telex: 885-452

Ghana (See Nigeria)

Great Britain (See United Kingdom)

Greece, Athens
American Embassy
APO New York 09253
Telex: 2I-5548

Guatemala, Guatemala City
(also covers Belize, El Salvador, Honduras, and Nicaragua)
American Embassy
APO Miami 34024
Tel: 3I-15-4I

Guinea (See Ivory Coast)

Honduras (See Guatemala)

Hong Kong
AmConGen Box 30
FPO San Francisco 96659

Hungary (See Austria)

India, New Delhi
(also covers Sri Lanka)
American Embassy
Dept. of State
Washington, D.C. 20520
Telex: USCS IN 031-4589

Indonesia, Jakarta
American Embassy
Box I
APO San Francisco 96356
Telex: 44218 AMEMBJKT

Iraq (See Syria)

Ireland, Dublin
American Embassy
Dept. of State
Washington, D.C. 20520
Telex: 25240

Israel, Tel Aviv
(also covers Cyprus and Turkey)
American Embassy
APO New York 09672
Telex: 33376

Italy, Rome
American Embassy
APO New York 09794
Telex: 610450 AMBRMA

Italy, Milan
AmConGen
Box M
APO New York 09794

Ivory Coast, Abidjan
(also covers Liberia, Guinea, Senegal, Sierra Leone, Zaire)
American Embassy
Dept. of State
Washington, D.C. 20520
Telex: 3660

Japan, Tokyo
American Embassy
APO San Francisco 96503
Telex: 2422118

Jordan (See Syria)

Kenya, Nairobi
(also covers Tanzania, Zambia)
American Embassy
APO New York 09675
Telex: 22964

Korea, Seoul
American Embassy
APO San Francisco 96301
Telex: K25823 SOLATO

Lebanon (See Syria)

Lesotho (See South Africa)

Liberia (See Ivory Coast)

Libya (See Morocco)

Luxembourg (See Belgium)

Malaysia, Kuala Lumpur
(also covers Brunei)
American Embassy
Dept. of State
Washington, D.C. 20520

Mexico, Mexico City, D.F.
American Embassy
Dept. of State
Washington, D.C. 20520
Tel: (905) 553-3333
Telex: 017-73-091 &
017-75-685

Morocco, Rabat
(also covers Algeria, Libya, Tunisia)
American Embassy
APO New York 09284
Telex: 31005

Netherlands, The Hague
American Embassy
APO New York 09159
Telex: (044) 31016

New Zealand, Wellington
American Embassy
FPO San Francisco 96690
Telex: NZ 3305

Nicaragua (See Guatemala)

Nigeria, Lagos
(also covers Ghana and Cameroon)
American Embassy
Dept. of State
Washington, D.C. 20520
Telex: 21670 USEMLA NG

Norway, Oslo
American Embassy
APO New York 09085
Telex: 18470

Pakistan, Islamabad
American Embassy
Dept. of State
Washington, D.C. 20520
Telex: 82-05-864

Panama (See Costa Rica)

Paraguay (See Argentina)

Peru, Lima
(also covers Bolivia)
American Embassy
APO Miami 34031

Philippines, Manila
American Embassy
APO San Francisco 96528
Telex: 722-7366

Poland, Warsaw
American Embassy
c/o AmConGen
APO New York 09757
Telex: 813304 AMEMB PL

Portugal, Lisbon
American Embassy
APO New York 09678
Telex: 12528 AMEMB

Romania, Bucharest
American Embassy (BUSH)
APO New York 09757
Telex: 11416

Saudi Arabia, Jidda
APO N.Y. 09697
Telex: 401451AMEMBSJ

Senegal (See Ivory Coast)

Sierra Leone (See Ivory Coast)

Singapore, Singapore
American Embassy
FPO San Francisco 96699
Telex: 33229 USATO

South Africa, Pretoria
(also covers Lesotho, Botswana, Swaziland, Zimbabwe)
American Embassy
Dept. of State
Washington, D.C. 20520
Telex: 3-751

Spain, Madrid
American Embassy
APO New York 09285
Telex: 27763

Sri Lanka (See India)

Swaziland (See South Africa)

Sweden, Stockholm
(also covers Finland)
American Embassy
Strandvagen 101
Telex: 12060 AMEMB S

Switzerland, Bern
American Embassy
Jubilaeumstrasse 93, 3005 Bern
Telex: 32128

Syria, Damascus
(also covers Lebanon, Jordan, Iraq)
American Embassy
Dept. of State
Washington, D.C. 20520
Telex: 11919 USDAMA SY

Taiwan
American Institute In Taiwan
P.O. Box 1612
Washington, D.C. 20013
Telex: 23890 USTRADE

Tanzania (See Kenya)

Thailand, Bangkok
American Embassy
APO San Francisco 96346

Tunisia, Tunis
American Embassy
144 Avenue de la Liberte
Telex: 13379 AMB TUN

Union Of Soviet Socialist Republics (U.S.S.R.), Moscow
American Embassy
APO New York 09862
Telex: 7760 USGSOSU

United Kingdom, London
(covers Great Britain and Northern Ireland)
Box 40 American Embassy
FPO New York 09510
Telex: 266777

Uruguay, Montevideo
American Embassy
APO Miami 34035

Venezuela, Caracas
(also covers Barbados, French Guyana, Netherlands Antilles, Suriname, Trinidad, Tobago)
American Embassy
APO Miami 34037
Telex: 25501 AMEMBUE

Yugoslavia, Belgrade
(also covers Bulgaria)
American Embassy
APO New York 09757
Telex: 11529

Zaire (See Ivory Coast)

Zambia (See Kenya)

Zimbabwe (See South Africa)

Tips for Addressing Mail to Overseas Posts

Mailing Addresses
Below are the three accepted forms for addressing mail to an overseas post using the Agricultural Counselor of the American Embassy in Jakarta as an example.

APO/FPO Address
Agricultural Counselor
American Embassy
Box 1
APO San Francisco 96356

Department of State Pouch Address
Agricultural Counselor
Jakarta
Department of State
Washington, D.C. 20520

International Address
Agricultural Counselor
American Embassy
Medan Merdeka Selatan 5
Jakarta, Indonesia

Demand for Processed Food Products Growing in Arabian Peninsula

By David Young

The Arabian peninsula is already a large market for value-added agricultural products—and further steady but slower import growth is expected over the next few years.

However, its potential has not gone unnoticed by other exporters, and U.S. traders can expect to face stiff competition from the European Community, Japan, Australia and Brazil.

Peninsula A Big Importer of Many Value-Added Products

This area—which encompasses the seven nations of Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, the United Arab Emirates (UAE) and Yemen (Sana)—imported about $8.5 billion in agricultural commodities in 1981. Two-thirds, or about $5.5 billion, were value-added products.

Milled rice, refined sugar, cigarettes, poultry meat, beef and veal, fruit juice, dry milk, flavored beverages, vegetable oil and other food preparations are the top value-added food imports.

Demand for Value-added Items Continues Growing

The short-term outlook for this market is for continued growth in value-added food imports, but at a slower rate than in the past. Over the last 10 years, the average diet in this area has improved markedly and development programs and subsidies have spurred domestic output. These factors have recently resulted in a slowdown of food imports into the peninsula.

However, population will continue to rise—it is now estimated at 20 million—and high per capita incomes, increased urbanization, higher literacy rates and the expanding availability of refrigeration will continue to influence diets—increasing demand for meat and convenience foods, including fast foods.

Black Star

In addition, the demand for value-added foods will be enhanced by the modernization of the food marketing system. The number of modern supermarkets is increasing and even small grocery stores are stocking more processed goods.

Prospects appear favorable for increased imports of rice, vegetable oils and refined sugar (which are generally government subsidized), and for beef, chicken parts, canned fruits and vegetables, frozen foods, snacks, condiments, health foods, and many other grocery items.

New, high quality food products with attractive labeling are in especially high demand. U.S. products, although often more expensive than competitors' items, have a good foothold in this market because they are recognized for high quality.

However, as local production capabilities increase, import demand for flour, some dairy products, and certain fruit juices and other beverages is likely to decline.

Value-Added Products Comprise Bulk of U.S. Sales

U.S. food exports to this region have grown by more than 50 percent in recent years, from $410 million in 1979 to $616 million in 1982. About three-fourths of that, $451 million, was for value-added products.

The leading U.S. exports to the Arabian Peninsula were rice, wheat and flour, vegetables, sugar and tropical products, vegetable oils, fresh fruit, beef and veal.

Saudi Arabia Top Importer

Saudi Arabia is the largest single market in this area with total agricultural imports of over $5 billion and value-added food imports of about $3 billion in 1981.

U.S. agricultural exports to Saudi Arabia in 1982 reached $486 million—a 4-percent increase over 1981. U.S. value-added exports rose 2 percent to $372 million. Saudi Arabia was the No. 8 market for U.S. value-added farm exports in 1982, and the No. 2 value-added market—after Mexico—among developing nations.

U.S. Faces Stiff Competition From the European Community

Agricultural exports from the EC to the Arabian Peninsula have increased even faster than U.S. sales to this region.

For example, the United States has held nearly a 20-percent share of the Arabian value-added market since the mid-1970's, while the EC share has climbed from about 30 to nearly 40 percent.

Higher transportation costs from the United States, subsidized EC exports and a strong U.S. dollar relative to most EC currencies have all contributed to the flat U.S. share of the market. Another factor has been the aggressive marketing effort by EC and Australian exporters aided by their governments.

Personal Contacts Key to Marketing

For those interested in selling in this market, importers recommend a good knowledge of local marketing practices. It is important to visit the area and establish personal contact with an importer, since most importers wish to become exclusive agents for products.

It is also necessary to fulfill exact import regulations regarding such things as Arabic labeling, production and expiration dates and Islamic slaughter conditions.

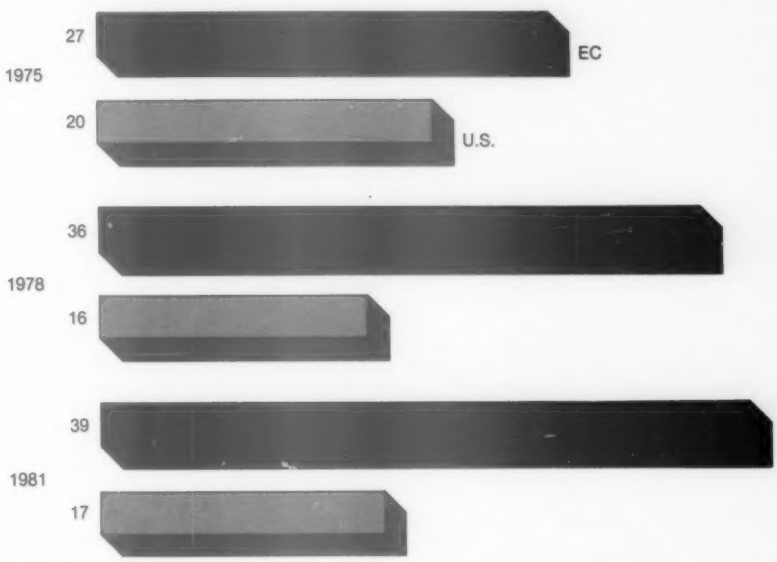
Local importers can provide information on the specific regulations of their countries. They can also provide tips on how to package the product to maximize its market appeal.

Some importers in the peninsula want small shipments. Therefore, exporters should be willing, if necessary, to mix products, or product sizes, within a shipment. ■

The author is with the Trade and Economic Information Division, FAS. Tel.(202) 382-9055.

U.S. Exporters Face Stiff Competition from EC in Arabian Value-Added Market

Percent of value-added market



Saudi Arabia Leading Market in Arabian Peninsula For U.S. Agricultural Exports

$ million

	1980	1981	1982
Saudi Arabia	375.4	465.6	**486.4**
UAE	113.7	59.4	**56.1**
Kuwait	47.3	60.5	**36.1**
Yemen	8.2	16.8	**17.8**
Bahrain	7.5	9.7	**8.7**
Qatar	5.4	5.3	**5.9**
Oman	4.5	7.2	**5.3**
Total	**562.9**	**624.5**	**616.3**

Two Trade Offices Can Help Exporters Tap Market

FAS' Agricultural Trade Offices in Saudi Arabia and Bahrain can provide lists of local importers, supply information on import regulations and commodity prospects and help with local trade shows. For assistance contact:

Agricultural Trade Officer
Shaikh Isa Road
P.O. Box 26431
Manama, Bahrain

Mailing Address:
American Embassy FPO,
N.Y. 09526

Tel.: 714-151
Telex: 9398 USATO BN

Agricultural Trade Officer
Al Zouman Commercial Center
Palestine and Hayel Streets
Jidda, Saudi Arabia

Mailing Address:
American Embassy
APO, N.Y. 09697

Tel.: 661-2408
Telex: 401459 AMEMB SJ

The European Community: Strong U.S. Competitor in Value-Added Markets

By Michael J. Dwyer

Looking for a promising market for value-added products? When you find one, also be prepared to find plenty of traders from the European Community (EC) already there pushing their wares.

Backed by an array of processing and export subsidies, the EC has become a formidable contender for the world's value-added markets. During the 1974-81 period, for example, its sales of value-added products shot up by more than 150 percent. Much of this success was at U.S. exporters' expense, as the EC has gradually shifted from a lucrative market to a major competitor in many third countries.

In 1981 the EC passed the United States as a net exporter of value-added products with a $2.5-billion excess of exports over imports. The U.S. net export total was almost $2.0 billion.

Value-Added Sales Crucial to EC

The EC and the United States are the world's two largest agricultural trade markets, accounting for one-half of world trade in 1981. However, the roles played by value-added, or processed, products are vastly different.

On the export side, over 80 percent, or $21 billion, of EC agricultural sales are in processed products. In contrast, only 30 percent, or $13 billion, of U.S. agricultural exports in 1981 were value-added items.

Though the comparison is less dramatic on the import side, 43 percent of the EC's purchases are value-added products compared with 60 percent for the United States.

Exports Stimulate EC Employment

The EC has molded the structure of its agricultural trade so that it supports the Community's stated objective of maximizing employment.

In fact, the EC's Commissioner of Agriculture, Poul Dalsager, has told the Community's agriculture ministers that an important aspect of the Community's program for creating employment is "to act as an added-value mechanism by importing raw materials and transforming them into industrial products. Agriculture is not exempt from this consideration."

EC Policies Promote Value-Added Sales

Meeting such an objective has led to policies that effectively favor imports of unprocessed farm products and exports of value-added food and fiber products.

The ability to pursue this objective is facilitated by the EC's Common Agricultural Policy, which provides for the payment of subsidies for exports and tariffs, variable levies and other protective measures for imports, as well as subsidies to the domestic processing industry.

Given the fact that the EC's value-added exports have grown twice as fast as imports since 1974, these policy instruments appear to have been effective in both promoting and protecting the Community's food processing industry and the people they employ.

In fact, in 1981 the EC for the first time became a net value-added exporter to the tune of $2.5 billion. This is quite a contrast with developments in the unprocessed products sector where the EC was an $18-billion net agricultural importer.

Assuming continuation of present EC policies, the Community's net value-added exports can be expected to grow in the years ahead as export growth continues to exceed that of imports.

A Net Value-Added Exporter for Most Commodities

The EC is a net value-added exporter in four of the five major commodity groups—oilseed products are the sole exception.

In contrast, the EC is still a net importer of unprocessed farm products for all five major commodity groups. However, even in the raw products area, the EC has reversed historical trends towards rising net imports. The Community's policy of promoting self-sufficiency in the production of basic commodities is apparently succeeding, with all major commodity groups, except oilseeds, now showing declines in net import levels.

Top EC Trade Items

Horticultural and tropical products are the EC's most significant value-added export group. In 1981 EC exports of such items as refined sugar, wine, beer, and ale, and miscellaneous food preparations totaled $8.1 billion, which was up an average of 14 percent a year since 1974.

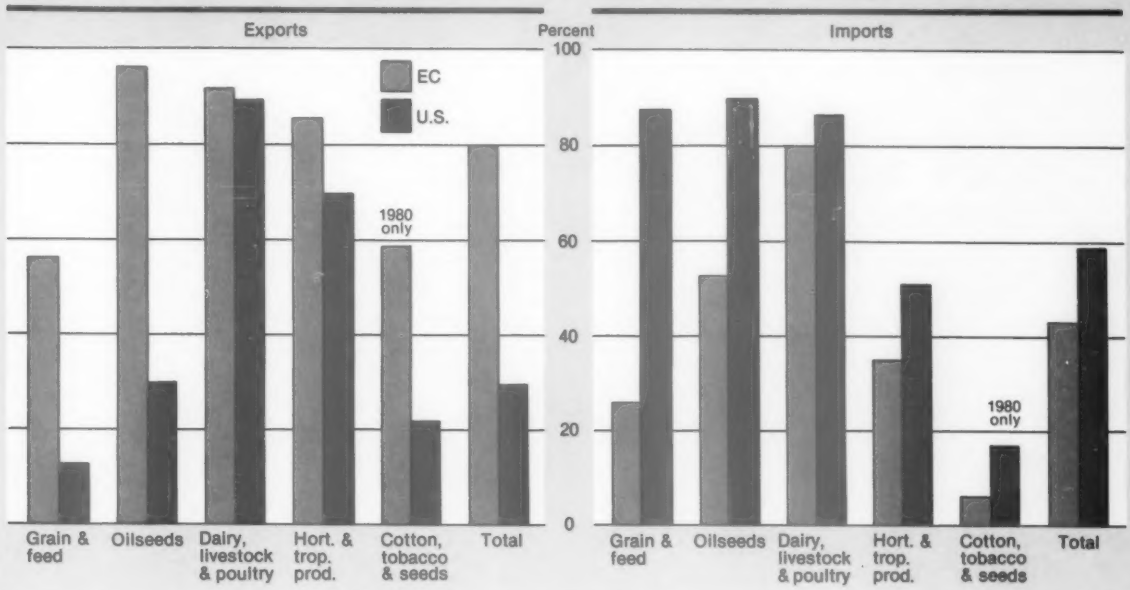
Value-Added Products Dominate EC Exports, U.S. Imports

Percent

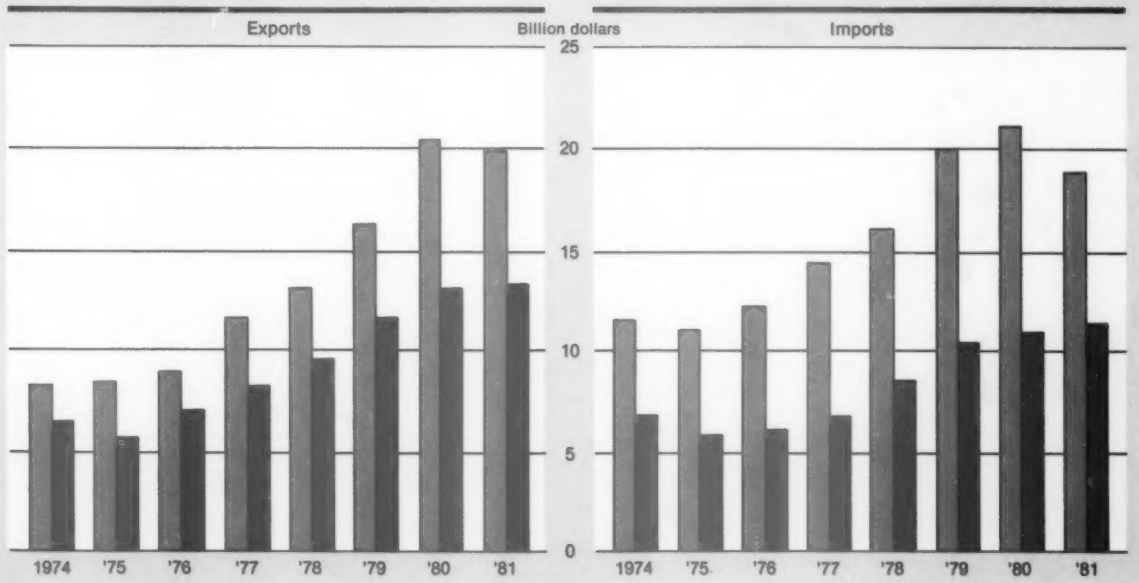
	Value-Added Products Share of— [1]	
	Exports	Imports
Grain & feed		
US	13	88
EC	56	26
Oilseeds		
US	30	90
EC	97	53
Dairy, livestock & poultry		
US	90	87
EC	92	80
Horticultural & tropical products		
US	70	51
EC	86	35
Cotton, tobacco & seeds		
US	22	[2]17
EC	[2]59	6
Total		
US	**30**	**59**
EC	**80**	**43**

[1] 1980-81 averages.
[2] 1980 only.

Value-Added Products Dominate Exports by EC . . . And Imports of United States



EC's Value-Added Sales Outpace U.S. . . . While Its Value-Added Imports Turn Down



Value-Added Trade Comparisons

$ Billion

	Exports		Imports		Net Exports	
	EC	US	EC	US	EC	US
Grain and feed						
1974	1.41	1.39	0.57	0.27	0.84	1.12
1978	2.09	1.90	0.88	0.39	1.21	1.51
1981	3.19	2.70	1.38	0.59	1.82	2.11
Oilseeds						
1974	0.95	1.95	3.13	0.54	−2.18	1.41
1978	1.12	2.31	3.71	0.54	−2.59	1.77
1981	1.47	2.79	4.81	0.54	−3.34	2.25
Dairy, livestock and poultry						
1974	2.54	1.50	3.60	1.87	−1.06	−0.37
1978	3.87	2.60	5.55	2.72	−1.68	−0.12
1981	6.88	3.45	5.86	3.00	1.01	0.45
Horticultural and tropical prod.						
1974	3.17	1.32	4.21	4.15	−1.04	−2.83
1978	5.65	2.13	5.72	4.82	−0.06	−2.69
1981	8.12	3.14	6.40	7.00	1.72	−3.86
Cotton, tobacco and seeds						
1974	0.22	0.37	0.07	0.04	0.14	0.33
1978	0.44	0.78	0.13	0.06	0.31	0.72
1981	0.66	1.29	0.14	0.30	0.52	0.99
Total						
1974	8.29	6.53	11.59	6.87	−3.30	−0.34
1978	13.17	9.72	15.99	8.53	−2.82	1.19
1981	21.00	13.36	18.59	11.43	2.41	1.93

These products are also the EC's No. 1 import group, worth some $6.4 billion in 1981. Major import items are tree nuts, fruit and vegetable juices, preserved fruit, wine, and crude vegetable materials.

Over time, the EC has shifted from a net importer of horticultural and tropical products to a net exporter. This shift is the result of exports growing at twice the rate of imports. By 1981, its net export total was $1.7 billion.

Dairy, livestock and poultry products are the EC's second largest value-added export group. Generous export refunds helped to push EC sales to $6.9 billion in 1981, up 15 percent a year since 1974. As recently as 1978 the EC was a net importer of these products, but now its export sales are $1 billion ahead of its imports.

Major exports in 1981 were butter, cheese, fresh and frozen beef, pork and poultry meat and prepared and preserved meat (such as canned hams). Major imports were fur skins, fresh beef, mutton, hides and skins and prepared and preserved meat.

Processed grain and feed products are the next most important export category. The EC's shipments in 1981 were worth $3.2 billion, up over 12 percent a year since 1974.

Much of this export growth was attributable to wheat flour sales which benefitted greatly from export refunds. The result was a sharp rise in the EC's share of the world flour market and a corresponding drop in the U.S. share.

EC imports of processed grain and feed products totaled about $1.4 billion in 1981. Import growth has been brisk, about 13 percent annually since 1974, due primarily to large purchases of corn gluten and other feed ingredients which are not subject to restrictive tariffs or levies.

Nonetheless, net exports have risen steadily to $1.8 billion as of 1981, making these products the EC's largest net export group.

Major EC exports besides wheat flour included processed feeds and malt (including malt flour). Major import items were processed feed, bran and milled rice.

The EC is also a small net exporter of cotton, tobacco and seed products. Its exports of such products (principally cigarettes and cigars since textiles are not included in this definition of

agricultural products) totaled about $660 million in 1980. Its imports were relatively insignificant at $140 million, due chiefly to a common external tariff of 90 percent on cigarettes and 52 percent on cigars.

With imports exceeding exports by over $3.3 billion, oilseed products were the only-valued added group in which the EC was still a net importer. Imports were large because over two-thirds were in oilseed meal (mostly soybean) which is not subject to EC tariffs or import levies, making it a competitive buy for Community importers.

However, the EC's oilseed product exports are also substantial. Sales in 1981 totaled $1.5 billion, up 6 percent a year since 1974. A large portion of these sales were the direct result of processing imported oilseeds (mostly soybeans) from countries like the United States and Brazil, crushing them, and then reexporting the value-added oil and meal.

Such a commodity flow epitomizes the Community's philosophy of creating jobs by serving as a "value-added mechanism."

Major EC imports, other than oilseed meal, include palm oil, coconut oil and peanut oil. Its major export items are oilseed meal and soybean oil—produced in large part from imported oilseeds. ■

[1] See January 1983 Foreign Agricultural for a more complete discussion of the composition of U.S. agricultural trade.

[2] All EC trade values exclude trade between member countries. Due a lack of available trade data for Great Britain in 1981, EC export values for the year exclude that country's trade, resulting in EC export values somewhat on the low side.

The author is with the Trade and Economic Information Division, FAS. Tel (202) 382-9054.

U.S. Value-Added Trade Position Differs From EC

U.S. agricultural exports generally favor unprocessed farm products over their value-added counterparts. This is because of the relative ease with which its raw products move into world markets versus the difficulty U.S. value-added products have against subsidized or lower priced competitors.

On the import side, value-added products account for 60 percent of the U.S. total—20 percentage points higher than the EC's level. This is mainly because, unlike the EC, the United States does not import unprocessed agricultural goods in significant quantities since it is a low-cost surplus producer of most primary agricultural commodity groups, especially grains and oilseeds.

In addition, a relatively liberal U.S. import policy provides attractive trade opportunities for nations with competitively priced processed products to sell.

Despite the concentration on unprocessed products, U.S. value-added exports totaled over $13.3 billion in 1981. Coupled with imports of $11.4 billion, the United States was a net exporter of processed agricultural products by almost $2 billion.

The leading U.S. value-added export sector is dairy, livestock and poultry products, where 1981 sales totaled $3.45 billion, up 13 percent a year since 1974. Major export items include hides and skins, fur skins, tallow, fresh and frozen beef, pork and poultry meat and edible offals.

Horticultural and tropical products are the next largest group, with shipments of $3.14 billion in 1981. (While significant, this total was still less than 40 percent of the EC's $8-billion level.) Major exports include shelled tree nuts, fruit juice, preserved fruit, raisins, essential oils and crude vegetable materials.

Oilseed products are the No. 3 value-added export group, with sales worth $2.8 billion in 1981. However growth has been sluggish since 1974, averaging only 5 percent a year. Major export items include soybean meal and oil, cottonseed oil, and sunfowerseed oil.

Grains and feeds are the fourth largest export sector with exports of $2.7 billion in 1981. While sales have expanded by an average of 10 percent annually since 1974, EC sales grew faster, especially since 1978 when export subsidies helped double EC flour sales in only three years. Major U.S. exports include milled rice, corn gluten feed, citrus pulp pellets, mixed feed and wheat flour.

U.S. exports of value-added cotton, tobacco and seed products (because of the definitions used, these are mainly cigarettes and cigars) were worth $1.3 billion in 1981. Shipments have grown about 20 percent a year since 1974.

The United States' largest net trade balance is for oilseed products, where net exports totaled $2.3 billion in 1981.

This is in marked contrast to the EC, where imports exceeded exports by more than $3.3 billion and the deficit was growing.

Other commodity groups where U.S. exports exceeded imports in 1981 were: grain and feed products, $2.1 billion; cotton, tobacco and seeds, around $1 billion; dairy, livestock and poultry products, $45 million. Only for horticultural and tropical products imports exceed exports—amounting to $3.9 billion in 1981.

Slowdown in Food Price Rises Has Implications for Exporters

Black Star

By Ron R. Roberson

The recent slowdown in consumer food prices may stabilize the economic condition in many importing countries. This, in turn, could benefit U.S. agricultural exporters in the longer run.

Food price increases have slowed down in the past few years, largely because of expanding world food production accompanied by a sharp dip in demand stemming from the global recession. Food prices are likely to remain relatively stable for the rest of this year and in early 1984 due to the plentiful supply situation and soft world economy.

Of course, the prevailing record food supplies and reduced demand have taken a toll on U.S. agricultural exports, which fell sharply in 1982 for the first time in about a decade.

Based on a recent survey by the Foreign Agricultural Service (FAS) of 15 industrialized countries, food prices are likely to increase at a slower pace than in the preceding two years.

Also, with interest rates in the industrialized countries coming down, employment is likely to improve. More jobs mean increases in consumption. The biggest economic gains are foreseen for Japan, the United States and Ireland.

According to the Organization for Economic Cooperation and Development (OECD), a 2-percent growth in the gross national product (GNP) is seen for the United States this year as interest rates come down, consumption continues to expand and inflationary pressures ease.

Declining Rates Are Widespread

Only Belgium and Luxembourg showed an acceleration of food price rises during the last two years. Declining rates are the norm for other countries and are more pronounced for shoppers in the United States, Canada and the United Kingdom.

In the United States, food prices rose only 4 percent last year, about half of the year-earlier growth.

Most Consumers Spending Less on Food

Because gains in earnings have outstripped rises in food prices in many countries, shoppers tend to be better off in respect to the amount of money they spend on food. In all countries except Denmark, consumers are now spending less of their disposable income on food (including beverages and tobacco) than they did a few years ago.

In this regard, U.S. shoppers are the most favored of all. Last year, they spent only 15 percent of their paycheck on food.

In contrast, those in Ireland spent 44 percent of their income on food—three times the U.S. average. Consumers in Greece and Italy pay about a third of their income on food. ■

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Rise in Food Prices Begins To Slow

(Percent change from previous year.)

Country	1980	1981	1982
Belgium	4.1	5.9	9.7
Canada	25.3	11.4	7.5
Denmark	19.7	11.0	11.0
France	20.4	14.1	13.4
Greece	51.6	30.1	21.3
Ireland	27.0	15.0	13.2
Italy	31.6	17.0	[1]18.9
Japan	8.2	5.2	1.7
Luxembourg	6.3	8.3	10.6
Netherlands	6.7	5.6	5.7
Spain	20.3	13.6	[1]19.1
Switzerland	8.9	10.5	6.8
United Kingdom	27.1	8.4	6.9
United States	**20.5**	**7.9**	**4.0**
West Germany	5.9	4.9	6.2

Based on Consumer Price Index, 1975 = 100.
[1] Estimated.

Economic Upturn Could Spur Food Sales

(Percent change in economic activity from previous year.)

Country	1981	1982	1983
Belgium	-1.70	-0.50	0.75
Canada	2.90	-5.00	1.25
Denmark	0.10	1.75	0.00
France	0.30	1.50	0.50
Greece	-0.70	0.50	1.00
Ireland	1.10	1.25	1.75
Italy	-0.20	0.75	0.25
Japan	3.00	2.50	3.50
Luxembourg	-1.80	-0.25	1.00
Netherlands	-1.20	-1.25	-1.50
Spain	0.40	1.25	1.50
Switzerland	1.90	-2.00	0.50
United Kingdom	-2.20	0.50	1.00
United States	**1.90**	**-1.75**	**2.00**
West Germany	-0.20	-1.25	-0.25

Based on 1981 GNP/GDP values in 1981 U.S. dollars, according to OECD.

Consumers' Buying Power Increases

(Ratio of changes in wage rates to changes in food prices. Consumer Price Index, 1975 = 100.[1])

Country	1981:1980	1982:1981
Belgium	1.03	0.98
Canada	1.00	[2]1.05
Denmark	0.98	[2]1.04
France	1.00	[2]1.03
Greece	0.98	[2]1.01
Ireland	1.01	[2]1.06
Italy	1.06	[2]0.98
Japan	1.00	1.03
Luxembourg	([3])	([3])
Netherlands	0.97	[2]1.03
Spain	1.05	[2]0.96
Switzerland	0.95	0.99
United Kingdom	1.01	1.00
United States	**1.01**	**1.03**
West Germany	1.01	0.98

[1] Any number larger than one means that wages outpaced those for food prices while a number less than one reflects the opposite. [2] Estimated. [3] Not available.

U.S. Popcorn
Making A Big Noise in Britain

By Robb Deigh

If The Popcorn Institute figures it right, each American, by the age of 30, has consumed about 1,230 quarts of popcorn—much of it most likely at countless Sunday movie matinees.

Some of the credit must go to certain notable Englishmen, including Alfred Hitchcock and James Bond. Now, it is time for us Americans to return the favor.

And The Popcorn Institute of Chicago, an FAS cooperator, is doing just that. Nine months into an initial $150,000 campaign to promote popcorn in Britain, the institute reports that results have has been encouraging.

"It's going very well, but it is still a little too early to judge how well," says Ginny Blair, marketing director for The Popcorn Institute.

In the United States, where the average consumption of popcorn is about 41 quarts per person annually, popcorn is a $1 billion-a-year business. In Britain, however, sales are only about $4.7 million with the average person crunching away at less than one quart per year.

Big Profits for Exporters

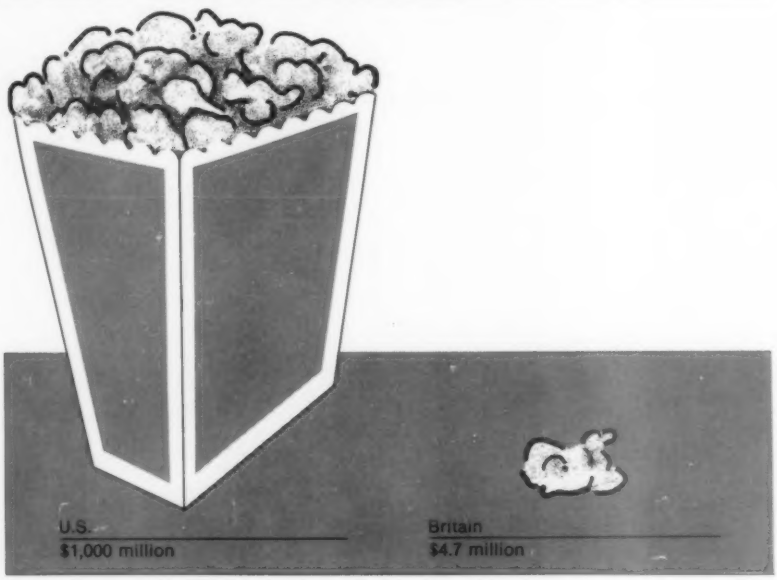
The institute's goal is to promote a 20-fold increase in British consumption. Virtually all popcorn sold in Britain is imported from the United States and if the program succeeds, it will mean big profits for U.S. farmers and exporters.

In 1982, the United States exported 47,985 metric tons of popcorn valued at $25.8 million. Britain took about 1 percent of the U.S. export.

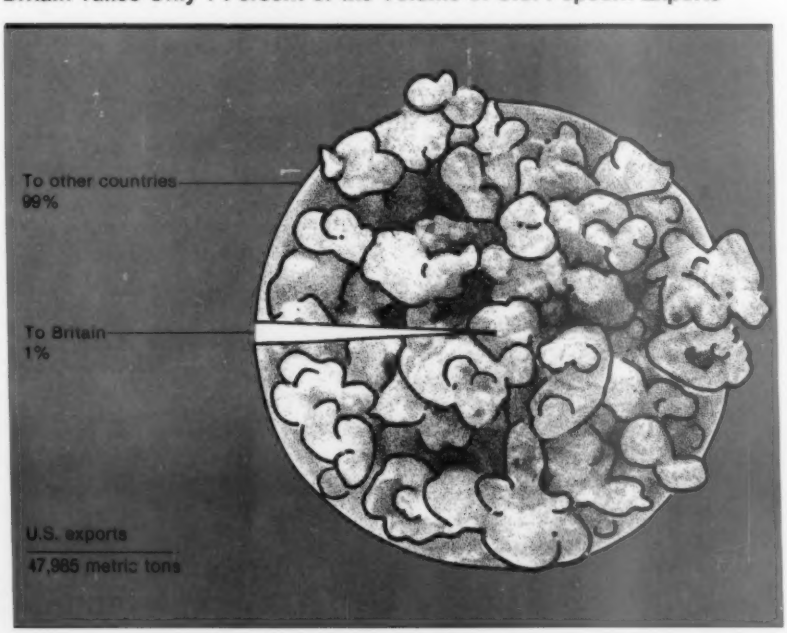
Although skeptical at the beginning of the campaign, the British have taken a new attitude toward popcorn, following the start of the institute's promotion.

Newspaper and magazine stories, television spots and radio programs in Britain are reporting, with good-natured humor, that the Americans are trying to "revise our eating habits." And well they may.

Popcorn Sales in Britain Lag Far Behind U.S.



Britain Takes Only 1 Percent of the Volume of U.S. Popcorn Exports



The English know popcorn mostly as a caramel-coated snack, deplored by dentists and served at movie theaters, beaches and amusement parks. But now they are eating it frequently in salted form or with cheese or other savory flavors. Everyone from school children to pub goers are slowly making it a part of their diet.

Nearly all of the popcorn sold in Britain is pre-popped and heated at the point of sale. It is available in most of the larger supermarkets but generally not in smaller stores.

Nutritional Value Stressed

Dieticians have introduced popcorn into many school menus as a part of lunchtime fare or as a snack to discourage sugary confections. Popcorn is high in fiber and contains protein, vitamins and minerals. It is a natural food with no additives or preservatives. A cup of popcorn, eaten with no butter or salt, has no more than 55 calories.

A popular pub franchise in Britain has indicated that it will feature popcorn in its 1,500 outlets. Owners of a well-known brewery said they might supply popcorn at distribution points. Many pubs have been somewhat slow to jump at the popcorn trend because, they say, the price of popping machines is prohibitive. Commercial-size popping machines are priced at nearly $500. Americans have countered this argument by pointing out that offering popcorn in a pub will increase beer sales by 30 to 40 percent. Also, popcorn is cheaper to serve than nuts or potato chips.

However, according to The Popcorn Institute, the largest market in Britain may be for the home-popped variety.

Pitcairn Populace Praises Popcorn

Another interesting turn of events in the popcorn campaign has been testimony from the 44 descendents of Fletcher Christian who make up the entire population of Pitcairn Island.

As movie matinee veterans know, Christian and friends were responsible for the mutiny on the HMS Bounty. The survivors of the mutiny settled on Pitcairn, which remained undiscovered by the outside world until 1808, when a U.S. sea captain called at the island for water.

The young mutineer's ancestor, Glynn Christian, attests that "the Pitcairn Islanders are addicted to popcorn." Without missing a beat, the institute sent them a hamper full of popcorn kernels as a gift last Christmas.

The new push for popcorn has created not only a new attitude toward product but also some surprising recipes. Among the recommendations provided by American and British popcorn enthusiasts and published in the British press are: bacon and mushroom popcorn, cinnamon and rosewater popcorn, orange praline popcorn, peanut popcorn and dill and lemon popcorn.

One British cookbook even recommends pizza-flavored popcorn which consists of tomato puree, cheese, garlic and oregano, mixed up with the popcorn and served on a steak.

Is nothing sacred? It may someday come to pass that the British may be teaching us a thing or two about eating popcorn. ■

The author is with the Information Division, FAS. Tel. (202) 382-9445.

New Popcorn Ideas

A sample of popcorn recipes, published in the British press, shows some new ideas for an old favorite food. All recipes use three level tablespoons of popcorn kernels which makes a quart of popped corn.

Fruit and Nut Popcorn
2oz. chopped nuts
2oz. dried fruits
2 tablespoons pumpkin or seasame seeds (optional).
Salt or sugar can be added to this recipe depending on whether it is wanted as a sweet or savoury recipe.

To serve as a dry mix: Toss the popped popcorn with the above ingredients and serve.

To serve as a bound mixture: toss the popcorn and fruit and nut mixture with melted butter.

Orange Praline Popcorn
2oz. butter
2oz. soft brown sugar
Grated rind of 1 orange
Heat butter and sugar together until they dissolve. Boil the mixture for 1 minute. Stir in the rind. Toss the popcorn in the mixture.

Cinnamon and Rosewater Popcorn
2o z. butter
2oz. caster sugar
1 tablespoon cinnamon
1 tablesoon rosewater
Melt butter and sugar together in a pan. Stir in the cinnamon and the rosewater. Toss the popped popcorn in the mixture.

Peanut Butter Popcorn
Melt about 3 tablespoon of peanut butter in a saucepan and toss the popped popcorn in the mixture. More peanut butter can be added according to taste.

Dill and Lemon Popcorn
2oz. butter
1 teaspoon dried and dill weed
The grated rind of 1 lemon
Salt and pepper
Melt the butter in a pan, add the dill weed, lemon rind and salt and pepper, and toss the popped popcorn in the mixture.

Bacon and Mushroom Popcorn
1oz. butter
2 rashers bacon, chopped
2oz. mushrooms, chopped
Salt and pepper
Worcestershire sauce
Fry the bacon for 3 minutes. Add the mushrooms. Fry 2 minutes. Stir in the salt and pepper and worcestershire sauce and toss the popped popcorn in the mixture.

Country Briefs

China

Imports of Brewery Technology Needed

As beer drinking has gained in popularity, China's government announced plans to increase national production capacity by 1.5 million tons during 1980-85. During this expansion, China likely will look to foreign technology and skill to improve its beer making.

For starters, a modern brewery will be built at Guangzhou, the provincial capitol of Guandong. The brewery will have an annual production capacity of 100,000 tons, which is four times the city's total beer production. The first phase of construction, to be completed by June 1985, will make possible an annual beer production of 50,000 tons. —*G.E. Heslop, Agricultural Attache, Hong Kong.*

Egypt

Larger Imports of U.S. Soybeans Likely

The Egyptian government plans to import more soybeans and soybean meal to satisfy protein requirements for that country's growing poultry market. Soybean requirements for 1983 are projected at 72,000 tons, up more than a third from last year. The United States was the sole supplier of soybeans to Egypt in 1982. Soybean meal requirements are projected at 75,000 tons, up 50 percent from last year. In 1982, 13,000 tons of soybean meal were imported from the United States with the remainder supplied by Belgium and Spain. —*Max Bowser, FAS. Tel: (202) 382-0092.*

More Corn Needed for Poultry Industry

To bolster poultry production, the Egyptian government has announced plans to import 1.75 million tons of corn for poultry feeds. In addition, the private sector also will be allowed to import corn, an important development which could mean an increase in Egypt's corn imports to 1.8 to 2.0 million tons in 1984. The import of millet for poultry feed is also under consideration. —*Verle Lanier, Agricultural Counselor, Cairo.*

Indonesia

Demand for U.S. Tobacco To Level Off

U.S. tobacco (mostly burley) made substantial gains in the Indonesian tobacco market in 1982, rising from 2.5 thousand metric tons in 1981 to 6.2 thousand for 1982. The U.S. gains were at the expense of tobaccos of African origin. U.S. burley tobacco is prized for its blending quality for both white cigarettes and the more expensive, hand-rolled kretek cigarettes.

However, the demand for high quality U.S. tobacco in Indonesia will, in all probability, level off or decline in the near term, in line with the slippage in cigarette use because of that country's recession.

Also, Indonesia's devaluation of March 31, 1983 substantially increased the prices of U.S. tobacco to Indonesian importers. This could discourage attempts by both kretek and white cigarette producers to upgrade cigarette quality by blending high quality U.S. tobacco, especially U.S. burley, with domestically produced leaf. —*George J. Pope, Agricultural Counselor, Jakarta.*

Japan

Competition for Import Market Stiffens

Competition among agricultural product exporters for a share of the Japanese market remains intense. Last year some 54 countries, eight more than in 1981, conducted agricultural promotions in Japan. The United States spent an estimated $3.9 million on promotional activities, the other nations a combined total of $8.4 million.

Leading products promoted by competing exporters were wines, marine products, candies and confections, brandies and other spirits, fresh and processed meats, juices, dairy products, jams and jellies, coffee and fruits and vegetables. Leading promoters, ranked by estimated expenditures, were Australia ($2.3 million), New Zealand ($1.1 million), Canada ($900,000), China ($495,000), United Kingdom ($465,000), West Germany ($420,000), France ($380,000) and Denmark ($255,000).

The leading products promoted in 1983 should remain about the same as last year, but even more emphasis is expected to be given to wines and health and diet foods as Japanese interest in those products grows. Also, reduced duties on chocolates and cookies as of April 1, 1983 should foster promotion of these products.—*William L. Davis, Agricultural Counselor, Tokyo.*

Norway

Grain Imports To Decline

Norwegian grain traders indicate they probably will need only one cargo of North American wheat in the second half of 1983, plus some European wheat (quality not defined). That represents about a 50,000-ton decline from earlier expectations.

The falloff in Norwegian demand is blamed on higher prices to consumers due to lowered consumer subsidies which have discouraged the use of wheat flour for animal feeding. (In the past, subsidized bread flour prices were lower than feed prices and reportedly, some feeding of flour resulted.) Also, an estimated 20,000 tons in trade of subsidized flour to Sweden has been all but eliminated.

Norwegian officials predict that growing domestic wheat production will eventually replace all but about 100,000 tons per year of imported wheat, all of which would come from North America.

Also, increasing barley and oats production will continue to displace carbohydrate feed imports. Imports of grain sorghum, almost exclusively from the United States, shrunk to 40,000 tons in 1982/83 from the previous import level of 200,000 tons yearly. Corn imports are expected to remain at current levels of about 60,000 tons with the United States the principal supplier. *—Edmund L. Nichols, Agricultural Counselor, Copenhagen.*

Peru

Soy Oil Imports To Rise

The government has raised its planned soybean oil imports in 1983 from 70,000 to 130,000 tons, because of poor prospects for domestic fish and cottonseed oil production. The United States supplied more than half of the soybean oil imported by Peru in 1982, when total soybean oil imports were estimated at 69,000 tons. U.S. exports are expected to increase accordingly. *—Judith Goldich, FAS. Tel. (202) 382-0091.*

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